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LINCOLN PARISH WATERWORKS DISTRICT NO. 1
LINCOLN PARISH POLICE JURY
DUBACH, LOUISIANA

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General Purpose Financial Statements
As of and for the Year Ended December 31, 2003
With Supplemental Information Schedule

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-11-04

LINCOLN PARISH WATERWORKS DISTRICT NO. 1
141 Barham Road
Dubach, Louisiana 71235

ANNUAL FINANCIAL STATEMENTS

January 27, 2004


Office of Legislative Auditor
1600 North Third
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Sir:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Lincoln Parish Waterworks District No. 1 as of and for the fiscal year ended December 31, 2003. The report includes all funds under the control and oversight of the district. The accompanying financial statements have been prepared in accordance with generally accepted accounting principles.

Please accept the enclosed reports for the fiscal year of December 31, 2003.

Sincerely,


Donald Robbins, President

JJ

Enclosures

LINCOLN PARISH WATERWORKS DISTRICT NO. 1
141 BARHAM ROAD
DUBACH, LOUISIANA

ANNUAL SWORN FINANCIAL STATEMENTS AND
CERTIFICATION OF REVENUES \$50,000 OR LESS

The annual sworn financial statements are required by Louisiana Revised Statute 24:514 to be filed with the Legislative Auditor within 90 days after the close of the fiscal year. The certification of revenues \$50,000 or less, if applicable, is required by Louisiana Revised Statute 24:513(1)(1)(c)(i).

AFFIDAVIT

Personally came and appeared before the undersigned authority, Donald Robbins, who, duly sworn, deposes and says that the financial statements herewith given present fairly the financial position of the Lincoln Parish Waterworks District No. 1 as of December 31, 2003, and the results of operations for the year then ended, in accordance with the basis of accounting described within the accompanying financial statements.

In addition, Donald Robbins, who, duly sworn, deposes and says that the Lincoln Parish Waterworks District No. 1 received \$50,000 or less in revenues and other sources for the fiscal year ending December 31, 2003, and, accordingly, is not required to have an audit for the previously mention fiscal year-end.


Signature

Sworn to and subscribed before me this 28th day of JANUARY 2004.


NOTARY PUBLIC

Officer	President
Address	783 Della Road
	Dubach, La. 71235
Phone No.	(318) 777-8382

Statement A

Lincoln Parish Waterworks District No. 1
Lincoln Parish Police Jury
Dubach, Louisiana

Proprietary Fund - Enterprise Fund

Balance Sheet, December 31, 2003

ASSETS

Current Assets:

Cash	\$163,905
Accounts Receivable	4,300
Prepaid Insurance	505

Total current assets	<u>168,710</u>
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Restricted Assets:

Customer Deposit Account	4,428
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Total restricted assets	<u>4,428</u>
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Property, plant, and equipment:

Land	100
Buildings	2,609
Machinery, Equipment, and System	255,627
Less accumulated depreciation	(122,746)

Net property, plant, and equipment	<u>135,590</u>
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TOTAL ASSETS	<u>\$308,728</u>
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LIABILITIES AND FUND EQUITY

Liabilities:

Current liabilities (payable from restricted assets)	
Customer Deposits	\$ 4,428

Total Liabilites	<u>4,428</u>
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Fund Equity:

Contributed capital	90,408
Retained earnings:	
Unreserved	213,892

Total Fund Equity	<u>304,300</u>
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TOTAL LIABILITIES AND FUND EQUITY	<u>\$308,728</u>
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The accompanying notes are an integral part of this statement

Statement B

Lincoln Parish Waterworks District No. 1
 Lincoln Parish Police Jury
 Dubach, Louisiana

Proprietary Fund - Enterprise Fund

Statement of Revenues, Expenses, and
 Changes in Retained Earnings
 For the Year Ended December 31, 2003

OPERATING REVENUES

Water Revenues	\$ 34,920
Connction Fees	400
Miscellaneous	669

Total operating revenues	<u>35,989</u>
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OPERATING EXPENSES

Audit & Legal	1,276
Bad Debts	78
Casual Labor	80
Depreciation	5,241
Insurance & Bond	1,834
Meals, Travel, & Licenses	606
Office Expense	833
Repairs & Maintenance	1,550
Supplies	1,823
Salaries	15,800
Taxes on Payroll	1,209
Utilities	7,893

Total operating expenses	<u>38,223</u>
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OPERATING LOSS	(<u>2,234</u>)
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NONOPERATING REVENUES & EXPENSES

Interest Revenue	5,335
Safe Water Fee Income	533
Safe Water Fee	(475)

Total nonoperating revenues	<u>5,393</u>
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NET INCOME	3,159
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RETAINED EARNINGS AT BEGINNING OF YEAR	<u>210,733</u>
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RETAINED EARNINGS AT END OF YEAR	<u><u>\$213,892</u></u>
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The accompanying notes are an integral part of this statement

Statement C

Lincoln Parish Waterworks District No. 1
 Lincoln Parish Police Jury
 Dulach, Louisiana

Proprietary Fund - Enterprise Fund

Statement of Cash Flows
 For the Year Ended December 31, 2003

Cash flows from operating activities:	
Net Cash Provided by operation Activities (See Below)	<u>\$ 7,758</u>
Net increase in cash and cash equivalents	7,758
Cash and cash equivalents at beginning of year	<u>156,147</u>
Cash and cash equivalents at end of year	<u>\$163,905</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 3,159
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	5,241
Change in assets and liabilities:	
Accounts Receivables	(395)
Prepaid Insurance & Maintenance Contract	104
Assets Purchased	(351)
Total Adjustments	<u> </u>
Net cash provided by operating activities	<u>\$ 7,758</u>

The accompanying notes are an integral part of this statement

LINCOLN PARISH WATERWORKS DISTRICT NO. 1
141 Barham Road
Dubach, Louisiana 71235

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

INTRODUCTION

The Lincoln Parish Waterworks District No. 1 was organized in 1965 as a political subdivision of Lincoln Parish Police Jury to provide water usage and service to the residents of the Unionville area in Lincoln Parish. There are five Commissioners appointed by the Lincoln Parish Police Jury, based upon recommendations by the Water District. The Water District is a chartered political subdivision of the State of Louisiana which operates independent of the Lincoln Parish Police Jury aside from the selection of commissioners.

The Board of Commissioners are not paid per diem payments. Mr Emmett Crawford is the Licensed Well operator. Mr. Crawford checks on the well daily, runs two(2) chlorine tests each day, and reads the meters each month. He is paid \$570.00 a month for thirteen payments per year plus \$10.00 an hour for extra work on the system. There is one other employee, Mrs. Joan Jacks. She does the monthly bills and the bookkeeping for the system. She presents a monthly financial statement to each commissioner and a copy of bank statements to the President each month for \$500.00 a month for thirteen payments plus \$10.00 an hour for extra work.

The Commissioners are as follows:

	DATE TERMS EXPIRES
Donald Robbins - President	07-23-06
Douglas Stewart - Vice-President	08-12-08
Charles Nicky Davis	02-09-04
Todd Heard	03-28-05
Ruth Ellen Hanna	11-12-07

The Lincoln Parish Waterworks District No. 1 has approximately one hundred sixty-five meters operating with approximately 15 miles of water lines in the Unionville Community south of Dubach on Highway 167 and some other roads east and west of Highway 167.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION - FUND ACCOUNTING

The Lincoln Parish Waterworks District No. 1 is organized and operated on a fund basis whereby a self-balancing set of accounts is maintained that comprises its assets, liabilities, fund equity, revenues, and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the Commissioners is that the cost of providing services on a continuing basis be financed or recovered primarily through user charges.

B. BASIS OF ACCOUNTING

All proprietary funds are accounted for using the accrual basis of accounting. The revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Interest earned on Certificates of Deposits are reported as earned and is used in operating the system or in construction of new line if it is needed.

C. CASH AND INVESTMENTS

The Water System has all their cash accounts and investments in Community Trust Bank, Bank One, or Ruston Building & Loan which are FDIC insured. The total of all accounts in either bank is less than \$100,000, the insured limit of each bank.

D. ASSETS, LIABILITIES AND FUND EQUITY

All receivables are reported at their gross value. The District uses the direct charge off method for uncollectible accounts rather than an allowance for such losses.

Property, Plant, and Equipment acquired from proprietary funds are capitalized and are stated at cost. Depreciation of exhaustive fixed assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary fund balance sheet. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. The estimated useful lives on Equipment, Wells, Improvements, and Buildings is 50 years. Some of the newer equipment has been set up as 5 years, 7 years, or 20 years.

Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distribution. Reserved retained earnings for proprietary funds represent the net assets that have been legally identified for specific purposes.

Schedule 1

Lincoln Parish Waterworks District No. 1
Lincoln Parish Police Jury
Dubach, Louisiana

Schedule of Compensation Paid Board Members
For the Year Ended December 31, 2003

The only compensation paid to board members was reimbursement for miles that they used their personal vehicle to go to required seminar meeting for training.